

February 28, 2020

The Honorable Anne R. Kaiser, Chairman House Ways and Means Committee Room 131, House Office Building Annapolis, MD 21401

Re: SUPPORT House Bill 1339 –Sales and Use Tax and Personal Property Tax - Exemptions -Data Centers

Dear Delegate Kaiser and Members of the Ways and Means Committee:

Kent Fiber Optic Systems supports the House Bill 1339 that provides for a sales and use tax exemption for certain technology equipment for use at a qualified data center.

The proposed bill supports economic growth in Maryland and will provide opportunities for job growth throughout the State, especially in rural and economically depressed areas. Maryland has never been able to compete in the attraction of Data Centers because so many other states offer huge incentives.

Virginia enacted such laws over ten years ago and they are now the Data Center Hub of the Country. Bills like this not only provide jobs in technology but they also create many other jobs from supporting trades (ie electricians, plumbers, etc.) and all the hospitality industries that support them.

Kent Fiber Optics is in a Public/Private Partnership with Kent County, Maryland that has a 150 mile fiber backbone throughout the county that is in a great and unique position to attract Data Centers and create jobs and economic growth for the county.

Kent Fiber Optic Systems requests a favorable consideration for this bill.

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Sincerely,

Dee Anna Sobczak

CEO

Kent Fiber Optic Systems, LLC